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## ROUTING AND RECORD SHEET

SUBJECT: (Optional)

Copier Management Consolidation

DD/S&amp;T 3019-81/3

FROM:

Harry E. Fitzwater  
Deputy Director for Administration  
7D24 Headquarters

EXTENSION

NO.

DATE

TO: (Officer designation, room number, and building)

DATE

RECEIVED

FORWARDED

OFFICER'S INITIALS

COMMENTS (Number each comment to show from whom to whom. Draw a line across column after each comment.)

1. Comptroller  
4E42 Hdqrs 6/15/81 19 JUN 1981 my2. DD/NFA  
7E44 Hdqrs EX-1 ✓3. DDO  
7E26 Hdqrs 29 JUN 1981 ✓4. DDS&T  
6E60 Hdqrs 18 AUG 1981 qf

5. DDA 19 Aug 81 jk

6. D/L 21 AUG 1981 me  
8/21/81 sp

7. C/P&amp;PS/OL

8. DS/L 8-21 Dr

9. EO 8-21 DM

10. C/P&amp;PS/OL 25 AUG 1981 DM

11. ~~C/P&PS/OL~~12. ~~C/P&PS/OL~~ 25 SEP 1981

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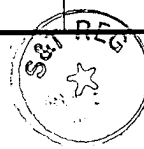
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Copy forwarded to  
Chief, P&PD 9-8-81

OL 1-2365



DD/S&amp;T# 3019-81

81-0640/8

COMPT 81-0774

[15 JUN 1981

NFAC 3812-81

MEMORANDUM FOR: Deputy Director for National Foreign Assessment  
Deputy Director for Operations  
Deputy Director for Science and Technology  
Comptroller

FROM: Harry E. Fitzwater  
Deputy Director for Administration

SUBJECT: Copier Management Consolidation

REFERENCE: Multi adse memo fm DD/A, dtd 9 Apr 81,  
same subject (DD/A 81-0640/3)

1. The referent memorandum proposed a consolidated budget and management system for Agency copiers, and you were requested to respond to the proposal.

2. Since the responses covered a wide spectrum of concerns, the Director of Logistics convened a meeting with designated representatives from your offices to discuss the matter and arrive at a mutually acceptable solution. The primary issues addressed were standardization of equipment, machine sharing and copy centers, contract consolidation, budget justification, and savings. At the request of the attendees, the Chief, Printing and Photography Division, OL, has addressed these issues in greater detail in the attached memorandum. It is hoped that this explanation will allay the apprehensions expressed by some of the representatives at the meeting.

3. Your concurrence in the original proposal is hereby requested.

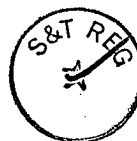
Harry E. Fitzwater

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## Attachments:

- A. Reference
- B. Memo from C/P&PD/OL

cc: D/FIN  
DIS  
D/ODP



**SUBJECT: Copier Management Consolidation**

**CONCUR:**

[Redacted]  
Deputy Director for National Foreign Assessment

29 JUN 1981

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Date

[Redacted]  
Deputy Director for Operations

July 7, 1981

STAT

Date

[Redacted]  
Deputy Director for Science and Technology

18 August 1981

STAT

Date

[Redacted]  
Comptroller

19 June 81

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Date

**Distribution:**

- Orig - Pls. return to OL/P&PS (Official)
- 1 - Each Addressee
- 2 - DDA

\*NFAC retains the final authority over whether individual machines are replaced by copy centers within the Directorate.

#DO concurs, (a) provided there is no degradation in service to the DO, (b) provided this action does not lead to the creation of copy centers in the DO and (c), because of the fluid situation in the DO, provided it is recognized that purchase of copiers may not be preferable to renting. If this action does not produce the aimed-for results, we reserve the right to withdraw from the centralized arrangement.

\*\* The DDS&T has reservations about the total responsiveness and effectiveness of the Copier Management Program. However, the S&T will concur in a one-year trial period with a review of the program being made prior to the end of FY 1982.



CIA Registry  
21-0640/3

9 APR 1981

MEMORANDUM FOR: Deputy Director for Operations  
Director, National Foreign Assessment Center  
Deputy Director for Science and Technology  
Comptroller

FROM: Max Hugel  
Deputy Director for Administration

SUBJECT: Copier Management Consolidation

1. To effect cost savings and promote managerial efficiency, the Office of Logistics (OL) has proposed that copier management for the Agency be consolidated.

2. Attached for your information please find a study and an executive summary entitled, "Copier Management Consolidation." They detail the background, explain the present system, propose alternatives, and present recommendations. I believe a considerable cost savings and a more efficient operation would be realized through budget consolidation and a consolidated copier management system. I am of the opinion that this proposal merits your consideration and implementation.

3. Also attached for your information are copies of current Headquarters Regulations pertaining to copier management. Implementation of this suggestion would enable the intent of these regulations to be more effectively achieved.

4. In view of the potential benefits to be derived from copier management consolidation, I would invite your attention to this matter in the near future. Please forward your response to the Director of Logistics. If you or your staff have any questions with respect to this study, please contact [redacted] Chief, Plans and Programs Staff, OL, on extension [redacted] Chief, Printing and Photography Division, OL, on extension [redacted]

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[redacted] Max Hugel

Max Hugel

## Attachments:

- A. Copier Management Consolidation Executive Summary
- B. Copier Management Consolidation Study
- C. Regulations a/s

01/1332

**Distribution:**

- 1 - Each Addressee
- 2 - DDA
- 1 - OF
- 1 - OIS
- 1 - ODF
- ✓ 1 - OL/P&PS Official

**ORIGINATING OFFICE:**

/s/ James H. McDonald

Director of Logistics

6 APR 1981

Date

**Distribution Withheld:**

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- 1 - OL/P&PS Chrono

OL/P&PS:  (3 April 81)

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## COPIER MANAGEMENT CONSOLIDATION EXECUTIVE SUMMARY

Although the Printing and Photography Division (P&PD) is charged by the Director of Logistics to approve all acquisitions of Agency copying equipment, and to insure the cost effectiveness and efficient utilization of such equipment, the management of Agency copiers remains to a great extent a decentralized activity. Under the current system equipment is acquired on a piecemeal basis. Furthermore, P&PD is not able to enforce its recommendations. As a result the full savings potential available through life-cycle costing and equipment purchase, equipment sharing and possible copy center establishment, competitive procurement of equipment, and more precise alignment of equipment to copying volume requirements cannot be realized.

Alternatives to the current situation may be listed in order by degree of centralization:

1. Total budget consolidation with the establishment of a comprehensive copier management system.
2. P&PD given performance certification authority.
3. Improvement of existing management procedures.

The first alternative involves the consolidation of all funds ( [ ] in FY-82) budgeted for Agency copying machines (excluding supplies). This would allow the immediate benefits of easing the administrative burden in Procurement Division (PD) and Audit and Certification Division (A&CD), and would permit savings resulting from needed equipment changes. More importantly, competitive procurement, a planned equipment purchase program, and machine sharing would result in a substantial reduction in overall copier costs. The potential for even greater savings seems feasible through the establishment of controlled copy centers. Competitive contracting alone could reduce costs by as much as [ ] This alternative does require at least an additional one and one-half positions devoted to the system in order to insure that the present level of services is maintained, that procurement and financial activities are coordinated, and that maintenance and supply problems are handled promptly.

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Also, this alternative requires that the Office of the Comptroller be able to justify to Office of Management and Budget examiners the copier program as a whole, for it will be presented as one lump sum budget figure.

The second alternative is a measure that would help to alleviate the administrative burden without changing the present management structure. If P&PD were allowed to certify for services received on behalf of all users, its computerized report of monthly usage would be used to verify costs for each machine. This would allow PD to consolidate contracts by vendor, eliminating much of its paperwork. A&CD would only need to work through P&PD to obtain performance certification whereas certification is now required from each user component. If it is desirable to manage copying equipment at the lowest levels of the Agency organization, this alternative allows it while streamlining administrative functions.

The third alternative does not change the present copier management system, but specifies management tasks to be performed that would improve current procedures. Such procedures include surveying the requirements of each equipment request, more interaction between P&PD and Supply Division to solve supply problems, and tracking of maintenance problems.

It is recommended that the first alternative of total budget consolidation, and the establishment of a comprehensive copier management program be adopted. The management functions should remain within P&PD where the technical expertise is available to enhance decision making. The comprehensive program should be established in consultation with the Office of Security to satisfy security requirements. The Agency Information Handling Architect should also be kept informed of copier management developments.

Copier Management Consolidation  
Study

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OL/P&PD/Systems Staff  
March 1981

## I. Introduction

This study has been conducted to present the benefits that result from the centralized management of Agency copying equipment. These benefits are evaluated from an economic and administrative standpoint, taking account of the needs of users within the Agency. It is apparent that a more effective system of management is possible through carefully planned changes.

In order to provide for a better understanding of copier management in the Agency, a brief background section is included. This is followed by a description and an assessment of the present copier management system. Alternatives to the current system are presented and advantages and disadvantages are explored. Recommendations are then offered.

## II. Background

The management of Agency copying equipment has evolved from a completely decentralized arrangement to the current system of centralized approval for rental requests, and centralized accounting of existing usage. When copying equipment became marketable during the early 1960's, Agency components rented or purchased machines with little central control other than technical advice given by Printing and Photography Division (P&PD). In 1968 the Office of the Comptroller (O/COMPT) expressed concern over the rapid growth of copiers, the growth in copying volume, and the related costs. In response the Deputy Director for Administration (DDA) recommended that the individual directorates assume responsibility for determining the need for their copiers, and for controlling their usage.

From 1968 to 1972 copying volume increased 140 percent, an even faster rate than had been originally anticipated by O/COMPT. Copy volume reached 34 million with costs exceeding [ ] annually. This growth was attributed to a lack of control at the directorate level, persistent sales techniques of copier salesmen, and the lack of authority to enforce P&PD equipment recommendations.

In November 1972 the DDA recommended that the CIA Records Management Board develop a more efficient copier management system. This led to the involvement of the

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Office of Information Services (OIS), and particularly the Records Administration Branch (RAB) within OIS. RAB took actions aimed at reducing copy volume. Copiers were included in RAB's "Annual Inventory of Records Volumes and Equipment". RAB surveyed usage through the collection of meter cards prior to mailing the cards to the vendor. Cost analyses were made of various models of copiers, alternatives to existing equipment were discussed with vendors, and charts and literature relating to equipment were disseminated to the Agency Records Management Officers (RMO's). Efforts were made to involve the RMO's in the management of copier utilization within their areas of responsibility. Agency employees were advised to refer calls from copy machine vendors to RAB in an attempt to combat vendor "oversell" techniques. In January 1974 arrangements were made for RAB and P&PD to jointly review all requests for copiers. The responsibility for approval and managing of copying equipment was formally assigned to OIS in August 1974 with the major portion of management responsibility charged to RAB.

Over the period of RAB involvement substantial progress was made in applying controls to the decentralized system. For example, during FY-75 of the 35 requests for copiers reviewed by RAB five were cancelled or modified for a cost avoidance of [redacted]. During the same year RAB reviewed 56 existing copiers making recommendations to cancel or modify 48 machines. Twenty-three of these recommendations were accepted for a cost avoidance of [redacted].

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In February 1976 responsibility for copier management was transferred from OIS to the Office of Logistics (OL) with the major management functions charged to P&PD. It was felt that with the growing relationship between copier technology and other forms of reprography and large-scale printing P&PD could better assess copier applications and procurements. The transfer was made with the understanding that the RMO's would do much of the analysis and justification of requests during the initial stages, that the DDA would lend support needed to control copier activities, and that one GS-06 position be transferred from OIS to P&PD.

### III. The Present System

The Agency currently rents or owns approximately 300 copying machines. Total related costs are estimated at [redacted] annually, with a copy volume which exceeds 138 million.

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The Director of Logistics is responsible for administering an Agency-wide Copier Management Program through which the acquisition of all copying equipment is reviewed and approved. He is also responsible for the establishment of programs to ensure the cost effective and efficient utilization of copiers and related equipment [redacted]. P&PD is the focal point of these responsibilities which include technical approval for equipment requests, and the maintenance of a computerized record of copier usage and costs. A discussion of these functions along with related procurement and financial procedures follows.

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A. The Approval Process

The rental of a copier is requested via a Request for Procurement Services (Form 2420). Upon determination of the need for copying equipment a component completes a Form 2420, and obtains certification that funds are available. The request is then reviewed by the component RMO who makes an assessment of the validity of the component's requirements, and the suitability of the requested copier. The request is then sent to the directorate RMO for signature. At this point P&PD receives the request for review. The Agency Copier Manager (Systems Staff/ P&PD) determines if the requested machine will meet minimum requirements at the least possible cost. If this is not the case a negotiation process will take place between the copier manager and the requestor (usually through the RMO). If an agreement cannot be obtained the copier manager will not sign the request. The request will then be forwarded to the Director of Logistics for a final decision. If the request is approved in P&PD it is sent to Procurement Division (PD) for the contract to be processed.

B. The Agency Copier Management System

Essential to the effectiveness of a copier management system is an inventory of all Agency copiers, a record of copy volume, and a record of all copier related costs. P&PD maintains the Agency Copier Management System (ACMS) for the accomplishment of this task. The system provides for the maintenance of a database that reflects any charges for machine use, and any accessories associated with each copier on inventory. It provides P&PD with a monthly report detailing each machine's rental, maintenance, supply, and miscellaneous costs. The major input to this system is monthly meter readings of each machine which are sent to P&PD by each

component on meter cards. After input to ACMS the meter cards are sent to the vendors for the processing of their bills. A major benefit of ACMS is that it provides a means for the continuing review of cost and utilization whereby recommendations may be made to reduce costs, or to substitute more effective and efficient equipment.

#### C. Procurement Procedures

Previously, primarily due to budget decentralization, a separate contract was written for each copying machine. During FY-77 and FY-78, while P&PD began to purchase copiers, it became feasible to write a consolidated maintenance contract for these machines. In FY-81 PD was able to consolidate rental equipment of the same model, and of the same contract plan onto a single contract, reducing the number of copier contracts from 177 to 88. This method of consolidation, by model and contract plan as opposed to by vendor or by model alone, allows the Office of Finance (OF) to pay invoices without verification of each machine on a single contract. The purpose of this consolidation is to ease some of the workload in PD.

#### D. Finance Procedures

Audit and Certification Division (A&CD)/OF receives all invoices from copier vendors, obtains certification for receipt of services from the user components, and will charge the accounts necessary to make payments. If an invoice states only base rate monthly use charges A&CD is able to verify without certification from the user. If an invoice includes excess usage and charges above the base rate, then meter readings on the invoice must be verified and certified by the user component. This necessitates contacting individual components except in the case of Xerox invoices. Because Xerox uses a two-ply card P&PD is able to send one set of cards to A&CD as well as one set to the vendor.

#### E. An Assessment

Much progress has been made in improving the management of copiers since the initial involvement of RAB. While P&PD has continued to refine the system, it appears that further improvements are possible. The

present system's strength is that it meets the needs of the Agency in terms of convenience and flexibility; allowing management at the lowest levels the prerogatives necessary to accomplish its various tasks. The weakness of the system is that the piecemeal approach to the acquisition of equipment, along with the lack of P&PD authority to enforce its recommendations is neither economically optimal nor administratively efficient.

#### 1. Equipment Purchase

The judicious purchase of copying machines on the part of P&PD has resulted in substantial cost savings. A vendor will generally agree to service purchased equipment for five years. P&PD will consider a purchase only if purchasing a copier will be cheaper than renting it for a period of 30 months or less, and only if the cost savings effected will be 40 percent or more. During FY-77 and FY-78 P&PD purchased 58 copying machines which included several high volume units. The total estimated savings over the five years of guaranteed maintenance is [REDACTED]. A proposal to purchase smaller Savin convenience copiers that would save up to [REDACTED] is presently being considered.

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In order to more completely capture the potential savings available through equipment purchase a comprehensive plan of purchase and equipment replacement is needed. Such a plan would require more flexibility in the movement of copying equipment within the Agency. Under the current system of decentralized budgets, there is a reluctance to purchase, and a resistance to change equipment on the part of user components. In addition, purchases are made only from current rental equipment after economic feasibility is determined. Under a comprehensive purchase plan it is possible to plan future purchases according to user requirements, and solicit competitive bids from several vendors.

#### 2. User Acceptance of Recommendations

Through ACMS it is possible to review the suitability of current equipment to volume requirements. During FY-79 Agency-wide equipment changes, based on monthly volume, were recommended. The cost avoidance of these changes totalled [REDACTED]

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Of these recommendations, changes totalling [ ] in cost avoidance were accepted. Of the remaining recommendations [ ] worth were ascertained to be for valid requirements other than volume, e.g., collating. This left recommended changes worth [ ] in cost avoidance that were not pursued because of lack of personnel resources, and a lack of leverage over the user components. It appears that further savings are available given more time, and greater authority to pursue them. Based on FY-80 statistics there exists a savings potential of [ ]

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### 3. Equipment Sharing

With the budget authority for copiers centered in the individual user components few components share machines. This has resulted in the acquisition of many small, convenience copiers where fewer, more economical high-volume copiers could be employed.

### 4. Administrative Problems

Both PD and A&CD are under a heavy administrative burden due to the large number of copier contracts and payment invoices. This burden has caused delays in the renewal of contracts and in payments to vendors. The recent implementation of contract consolidation has reduced some of the workload in PD, but has complicated bill paying procedures in A&CD. For example, payment problems in using the Contract Information System (CONIF) due to the large number of offices listed on some of the consolidated contracts. Also, it is anticipated that the amount of payments past due could increase resulting from a situation of one office on consolidated contract having insufficient funds obligated. This delays payment on the entire contract.

### 5. Other Management Issues

Certain improvements could be made in the areas of repair and maintenance, supplies, and the surveying of user requirements. Presently, no system exists for tracking maintenance problems. In the area of supplies, little communication



exists between Supply Division (SD) and P&PD to insure that the proper types, and sufficient levels of supplies are maintained. In the area of user requirements it would be advantageous for P&PD to take a more active role in surveying users' needs in order to best satisfy copier requirements.

#### IV. Alternatives to Improving the Present System of Copier Management

##### A. Total Budget Consolidation

This alternative would involve the consolidation of all funds budgeted for rental, maintenance, and miscellaneous costs of all Agency copying machines. This would amount to an estimated [ ] in FY-82. Budgeted funds for copier supplies would remain in Supply Division. This alternative calls for the establishment of a comprehensive, centralized copier management system, controlled by a component which holds the budget responsibility for copiers. This managing component would coordinate copier activities throughout the Agency, working through the present RMO structure and key operators assigned to individual copying machines.

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##### 1. Advantages

- A consolidated budget facilitates competitive procurement through the development of standardized requirements. Once a package of Agency requirements is developed bids may be solicited through a Request for Proposal (RFP). The terms of a contract awarded under an RFP may be written so that the contract may be extended for up to four years. This avoids the annual installation and removal of a large number of machines resulting from a possible change in vendors. Based on experience with automated data processing equipment an RFP could save as much as 25 percent in rental costs. With copier rentals the Agency could save up to [ ] Total consolidation facilitates a competitive contract arrangement because the managing component would have the authority needed to require the use of a particular type of copying machine.

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- A comprehensive management program permits a coordinated plan of machine purchase. Such an arrangement allows the planned budgeting for such purchases, solicitation of competitive bidding, and the more flexible movement of equipment. With requisitions of specific types of equipment from separate components, comprehensive planning under the present system is not possible.
- Under a comprehensive copier management system machines may be shared by components. It is doubtful that many copiers would be immediately eliminated. Rather, over time, as new requests are evaluated, such sharing arrangements can be made. This would help to gain control of machine proliferation, and eventually allow the replacement of smaller copiers with more economical high-volume machines.
- Related to machine sharing is the possibility of establishing copy centers. Copy centers would both effect cost savings and enhance security. In a report by the "Kampiles Task Force", prepared under the direction of the Director of Security, the recommendation was made that all copiers "be located in registries or document control centers, to be operated only by information control specialists...". Copy centers, however, could be implemented only after further study. Factors to be carefully considered are staffing requirements, space requirements and the responsiveness of copy centers to the needs of users.
- A consolidated budget lightens the burdens upon PD. With the RFP arrangement the number of copier contracts is reduced to only a few. Furthermore, the RFP precludes the need to evaluate individual requests to ascertain the lowest cost equipment available under GSA schedule. Even without competitive contracting, if all funds are in one account, PD could write one contract for each vendor. As a result renewals could be processed in a more timely fashion.

- A consolidated budget also lightens the load for A&CD. Only the managing component needs to be contacted for certification of services received. Also, ACMS will help to certify services for each machine in an efficient manner.

2. Disadvantages

- Budget consolidation would require the justification on the part of O/COMPT of one lump-sum figure for all Agency copiers in the budget of the managing component. Copying equipment may be more easily justified when it is shown supporting individual projects or components. Consequently, a lump-sum budget figure may be more susceptible to OMB cuts.
- In order to effectively manage a centralized copier system more manhours than are presently devoted to copier management would be required. At a minimum one and one-half additional positions would be needed. To assure that the present level of services is maintained requirements must be surveyed first-hand. Interaction is necessary between Supply Division and the managing component. Service problems must be tracked and investigated by the managing component. Furthermore, the managing component must have a working knowledge of procurement and financial procedures.
- Budget consolidation may cause resentment among user components resulting from a perceived loss of control over copying equipment.

B. P&PD Performance Certification

This alternative gives P&PD the authority to certify for services received on behalf of all users. The information which A&CD needs, and is solicited from various user components to certify invoices, is meter readings. Presently, P&PD receives meter cards for all machines. This would allow P&PD to conveniently become the focal point for certification.

2. Advantages

- This arrangement would allow PD to write one

contract for each vendor. In order to consolidate contracts by vendor it is necessary to verify the costs of each machine on an invoice. This is possible by querying the ACMS for the necessary data.

- This alternative allows A&CD to work through one component, P&PD, to obtain performance certification.
- P&PD certification would help alleviate administrative burdens without changing the present management structure.

2. Disadvantages

- There are no significant disadvantages to this alternative, other than it avoids the possible cost saving opportunities of the first alternative.

C. Improvement of Existing Management Procedures

This alternative would not change the present copier management system, but specifies management tasks to be performed that would improve current procedures. These tasks include the following management functions which are included in the total budget consolidation alternative; surveying component requirements for all requests, monitoring supply and service needs, and coordinating procurement and financial procedures.

1. Advantage

- While not changing the current, decentralized system, the implementation of such procedures would effect a more responsive and efficient copier management system. Cost savings as a result of better decisions and prompt treatment of supply and service problems would be realized.

2. Disadvantage

- Currently, P&PD devotes approximately 40 percent of a GS-13 position and 60 percent of a GS-07 position to copier management. To effectively perform the described management tasks it is likely that twice these resources would be necessary.

## V. Recommendations

It is recommended that the alternative of total budget consolidation, and the establishment of a comprehensive copier management program be adopted. The cost savings from competitive contracting alone should outweigh the disadvantages of this alternative. Over time, cost reductions in the total program should be substantial. Turning to the disadvantages, O/COMPT would be required to justify the program as a whole, but the efforts to economize by the Agency should be a positive factor. Secondly, the cost savings realized would justify additional manhours or positions which would need to be devoted to copier management. Finally, if the copier management system is responsive to the user, control over the equipment should become secondary.

It is also recommended that the authority for this program remain with the Director of Logistics, with the management functions delegated to P&PD. Care should be taken in coordinating copier activities with a number of Agency personnel. The Office of Security should be included in any decisions to physically consolidate copier services. The Agency Information Handling Architect should also be kept informed of copier management developments. A carefully designed, comprehensive copier management program that is coordinated with key Agency personnel should effectively meet the needs of Agency users at a substantially reduced cost.

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DD/S&T# 30/9-81/2

29 MAY 1981

MEMORANDUM FOR: Chief, Plans and Programs Staff, OL

FROM:  Chief, Printing and Photography Division, OL

SUBJECT: Proposed Consolidation of Agency Copier Management System

REFERENCE: Copier Management Consolidation Study, dated March 1981

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1. The referent study proposes improving the effectiveness and efficiency of the Agency's Copier Management System by establishing a consolidated, comprehensive Copier Management Program within the Office of Logistics (OL). The study further recommends that this program be administered and funded by the Printing and Photography Division, OL (P&PD/OL). In support of that recommendation, this memorandum addresses, for the purpose of further clarification, the key elements of the recommendation.

a. Standardization of Equipment

Standardization of equipment does not imply that a single make and model copier would be used to meet all Agency requirements. Individual requirements would continue to be the major concern when making equipment selections. Standardization of equipment would be possible only when the requirements of more than one user were the same.

b. Machine Sharing and Copy Centers

Increased machine sharing and the establishment of copy centers are both viewed as long-term possibilities for cost reductions under a consolidated system. They are not primary objectives of consolidation, and are only possible where they would improve service and reduce costs without compromising security and/or compartmentation requirements. With all the above criteria met, the major obstacle to machine sharing would be eliminated by consolidated budgeting for copiers; i.e., funding for a machine used by several different components.



OL 1 2201



SUBJECT: Proposed Consolidation of Agency Copier Management System

c. Contract Consolidation

Reducing the total number of copier contracts is one of the most significant benefits of the proposed consolidation. In FY-81, the consolidation of copier contracts reduced the total number of contracts from 180 to 77. Further consolidation was not possible because of decentralized budgeting. Centralized budgeting would permit the further reduction of contracts to fewer than 20 in FY-82.

d. Budget Justification

The protection from OMB budget cuts of a single, large-dollar figure for copier rental and maintenance was initially perceived as the greatest drawback to consolidated budgeting for copiers. Based on information provided by the Office of the Comptroller, it now appears that this should not be a major concern. The total projected cost for Agency copier rental and maintenance for FY-82 [ ] is less than ten (10) percent of the Agency's equipment rental and maintenance budget, and is not subjected to OMB review as a separate line item.

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e. Savings

Aside from a tangible savings of as much as [ ] per year to be realized through centralized planning, controlled equipment acquisitions, and recovery of prompt payment discounts, consolidated copier management would provide a saving in manhours in the Office of Finance (OF), Procurement Division (PD), and elsewhere throughout the Agency that would completely offset the additional manhours required to administer a consolidated Copier Management System.

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2. It is now more apparent than ever that the cost savings and administrative benefits of a consolidated Copier Management System in the Agency far outweigh the disadvantages of such a program.

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